Exhibit 15

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Subprime lenders made record exceptions: analysts

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MIAMI (Reuters) - Subprime mortgage lenders created a surge in delinquencies in the past year by repeatedly breaking their own underwriting guidelines to capture business, analysts said on Monday.

So-called "exceptions" to loans were made as written standards did not change much, Michael Youngblood, a managing director and portfolio manager at FBR Investment Management Inc., said on a panel of an Information Management Network asset-backed securities conference in Miami.

"The amount of loan exceptions made in 2006 must be historically the highest," he said.

Youngblood said lenders have not been providing information on how many times they strayed from their own underwriting standards, even when he asked. In any event, it is clear they represented the "wholesale" relaxation of underwriting practices that sent delinquencies to a business cycle high of about 11.4 percent, he said.

Subprime lenders -- both those that have failed and those still standing -- in the last year also paid scant attention to "soft" guidelines, such as how they analyze "FICO" credit scores for each applicant, Mark Milner, chief risk officer for PMI Mortgage Insurance Co., said on the panel.

For instance, relying on a credit score that was generated by an applicant paying back bills to a doctor and securing a $200 credit line "is just not enough," he said.

PMI chose not to insure many of the subprime loans outstanding, he said.

Delinquencies and foreclosures on subprime loans have soared in the past year as lenders such as New Century Financial Corp. (NEWC.PK: Quote, Profile, Research, Stock Buzz) increasingly "layered" risks, such as allowing first-time homebuyers to state, rather than prove, their income and to finance as much as 100 percent of the property's value. Fallout from the loosened underwriting practices occurred as the U.S. housing boom came to a halt.

The panelists conceded that 2006 may go down in history as the worst year ever for subprime credit quality, but said the worst projections for double-digit losses on bonds backed by the collateral won't materialize.

"I don't think the problems will be as widespread as some of the forecasts out there" said Allan Berliant, a portfolio manager at Grantham, Mayo, Van Otterloo & Co.

Losses to subprime bondholders will probably average between 5 percent and 7 percent, Youngblood said. That compares with expectations by the top three bond rating companies for losses between 6 percent and 8 percent, he said.

He said delinquencies on 2006 subprime loans may creep slightly higher in 2007 and post a slight decline in 2008.